

PATENT

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of: Alan S. Fisher et al. Examiner: Olabode Akintola

Serial No.: 09/706,849 Group Art Unit: 3691

Filed: November 7, 2000 Docket: 2043.086US2

For: METHOD AND SYSTEM FOR PROCESSING AND TRANSMITTING  
ELECTRONIC AUCTION INFORMATION

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**APPEAL BRIEF UNDER 37 CFR § 41.37**

Mail Stop Appeal Brief- Patents  
Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

Sir:

The Appeal Brief is presented in support of the Notice of Appeal to the Board of Patent Appeals and Interferences, filed on September 1, 2010, from the Final Rejection of claims 18-22, 24-30, 32-39, 41-48, and 50-52 of the above-identified application, as set forth in the Final Office Action mailed on March 1, 2010.

The Commissioner of Patents and Trademarks is hereby authorized to charge Deposit Account No. 19-0743 in the amount of \$540.00 which represents the requisite fee set forth in 37 C.F.R. § 41.20(b)(2). The Appellants respectfully request consideration and reversal of the Examiner's rejections of pending claims.

APPEAL BRIEF UNDER 37 C.F.R. § 41.37

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## **I. REAL PARTY IN INTEREST**

The real party in interest of the above-captioned patent application is EBAY INC.

## **2. RELATED APPEALS AND INTERFERENCES**

An appeal is pending for application serial numbers 09/504,261, 10/316,325, and 10/316,326, which may be related to the present application. There are no other appeals or interferences known to Appellants that will have a bearing on the Board's decision in the present appeal.

### **3. STATUS OF THE CLAIMS**

The present application was filed on November 7, 2000 with claims 1-17. In a Preliminary Amendment filed January 12, 2001, Appellants cancelled claims 1-17 and added new claims 18-52. In a response filed January 11, 2005 to the Non-Final Office Action mailed October 22, 2004, Appellants did not cancel, add, or amend any of then-pending claims 18-52. In a response filed January 18, 2006 to the Non-Final Office Action mailed July 18, 2005, Appellants amended claims 21, 24, 26, 32, 34, 35, and 44. In a response filed February 7, 2007 to the Non-Final Office Action mailed November 28, 2006, Appellants did not cancel, add, or amend any of then-pending claims 18-52. In a response filed October 24, 2007 to the Non-Final Office Action mailed May 1, 2007, Appellants amended claims 18, 22, 24-26, 29-30, 32-35, 39, 43-44, and 48, and cancelled claims 23, 31, 40, and 49. In a response filed May 23, 2008 to the Final Office Action mailed November 23, 2007, Appellants did not cancel, add, or amend any of then-pending claims 18-22, 24-30, 32-39, 40-48, and 50-52. In a response filed February 6, 2009 to the Final Office Action mailed August 6, 2008, Appellants amended claims 18, 21, 26, 29, 35, and 44. In a response filed December 7, 2009 to the Non-Final Office Action mailed June 5, 2009, Appellants amended claims 18, 26, 35, and 44.

Appellants are filing with this Appeal Brief an amendment cancelling claims 18-22 and 24-25. As a result, claims 26-30, 32-39, 41-48, and 50-52 stand rejected, remain pending, and are the subject of the present Appeal.

#### **4. STATUS OF AMENDMENTS**

Appellants are filing with this Appeal Brief an amendment cancelling claims 18-22 and 24-25. Entry of this amendment for purposes of this appeal is respectfully requested.

## **5. SUMMARY OF CLAIMED SUBJECT MATTER**

Aspects of the present inventive subject matter include, but are not limited to, a system and method for conducting an auction through a computer network.

### **Independent Claim 26**

Independent claim 26 recites a method for conducting an auction business through a computer network, the method comprising:

executing instructions with one or more processors (*see, e.g., Specification, page 14, lines 1-6, FIG. 1, elements 248 and 250*) execution of the instructions causing the one or more processors to:

post by at least one seller on a computerized merchandise catalog information that is descriptive of a first lot of a plurality of lots available for auction, each lot of the plurality of lots including at least one item (*see, e.g., Specification, page 15, lines 15-21; page 16, line 20 to page 17, line 4; FIG. 4, elements 25, 26; FIG. 6, elements 51, 52, and 53*);

add a second lot to the plurality of lots during an auction of the first lot of the plurality of lots by posting on the computerized merchandise catalog information that is descriptive of items in the second lot, wherein the information pertaining to the second lot is added to the merchandise catalog as at least a portion of the first lot of the plurality of lots is made available for auction (*see, e.g., Specification, page 15, lines 15-21; page 16, line 20 to page 17, line 4; FIG. 4, elements 25, 26; FIG. 6, elements 51, 52, and 53*);

receive a bid from a bidder for at least the portion of the first lot of the plurality of lots (*see, e.g., Specification, page 14, lines 22-24; page 16, lines 10-12; FIG. 4, elements 20, 21, and 22*);

validate a characteristic of the bid during and prior to a close of the auction of the first lot of the plurality of lots, the characteristic of the bid being a form of bid information, and the validating of the characteristic includes ensuring that the bid information accords with a specific form of the bid information that is defined by the bid format (*see, e.g., Specification, page 14, line 23 to page 15, line 7; page 16, lines 10-18; FIG. 4, element 21; FIG. 5, elements 43 and 46; FIG. 6*);

validate the bid to ensure that the bid amount is credible in view of a current high bid (see, e.g., *Specification*, page 12, lines 8-12; page 14, line 23 to page 15, line 7; page 15, lines 9-13);

whether the bid for the at least the portion of the first lot is successful or determine unsuccessful (see, e.g., *Specification*, page 16, lines 10-18; page 17, line 15 to page 18, line 17; page 19, line 24 to page 20, line 14; FIG. 7; FIG. 9; FIG. 11); and

store an indication of whether the bid is successful or unsuccessful (see, e.g., *Specification*, page 17, line 15 to page 18, line 17; page 19, line 24 to page 20, line 14; FIG. 7; FIG. 9; FIG. 11).

#### Independent Claim 35

Independent claim 35 recites a computer-readable medium containing instructions, which, when executed by a computer, causes a computer to perform an auction method comprising:

posting by at least one seller on a computerized merchandise catalog information that is descriptive of at least one of a plurality of lots available for auction, each lot having at least one item (see, e.g., *Specification*, page 15, lines 15-21; page 16, line 20 to page 17, line 4; FIG. 4, elements 25, 26; FIG. 6, elements 51, 52, and 53);

either adding items to or deleting items from a lot of the plurality of lots available for auction and posted to the merchandise catalog during an auction of another lot of the plurality of lots, wherein information relating to an item in the lot is added to or deleted from the merchandise catalog as items in each lot are to be either made available for auction or no longer available for auction (see, e.g., *Specification*, page 15, lines 15-21; page 16, line 20 to page 17, line 4; page 19, line 24 to page 20, line 14; FIG. 4, elements 25, 26; FIG. 9);

receiving a bid for a portion of the lot from the plurality of lots from a bidder (see, e.g., *Specification*, page 14, lines 22-24; page 16, lines 10-12; FIG. 4, elements 20, 21, and 22);

validating a characteristic of the bid during and prior to a close of the auction, wherein the characteristic of the bid is a form of bid information, and the validating of the characteristic includes ensuring that the bid information accords with a specific form of the bid information



that is defined by the bid format (*see, e.g., Specification, page 14, line 23 to page 15, line 7; page 16, lines 10-18; FIG. 4, element 21; FIG. 5, elements 43 and 46; FIG. 6;*

validating the bid to ensure that the bid amount is credible in view of a current high bid (*see, e.g., Specification, page 12, lines 8-12; page 14, line 23 to page 15, line 7; page 15, lines 9-13;* and

determining whether the received bid is successful or unsuccessful (*see, e.g., Specification, page 16, lines 10-18; page 17, line 15 to page 18, line 17; page 19, line 24 to page 20, line 14; FIG. 7; FIG. 9; FIG. 11*).

#### Independent Claim 44

Independent claim 44 recites a system for conducting an auction through a computer network, the system comprising:

a merchandise posting mechanism configured to post merchandise information from at least one seller, the information being accessible through the computer network and describing at least one of a plurality of lots available for auction, each lot including at least one item, the posting means available to add a lot of the plurality of lots for auction during an auction of another lot, the merchandise posting mechanism implemented with one or more processors configured to execute instructions (*see, e.g., Specification, page 15, lines 15-21; page 16, line 20 to page 17, line 4; FIG. 4, elements 25, 26; FIG. 6, elements 51, 52, and 53*);

a bid receiver to receive a bid for at least a portion of the lot of the plurality of lots, the bid receiver implemented with one or more processors configured to execute instructions (*see, e.g., Specification, page 14, lines 22-24; page 16, lines 10-12; FIG. 4, elements 20, 21, and 22*);

a bid validator, during and prior to a close of the auction, to examine and validate a characteristic of the received bid and to store the bid in a bid database, and to ensure that a bid amount specified in the bid is credible in view of a current high bid, wherein the characteristic is a form of bid information, and the validating of the characteristic includes ensuring that the bid information accords with a specific form of the bid information that is defined by the bid format, the bid validator implemented with one or more processors configured to execute instructions (*see, e.g., Specification, page 12, lines 8-12; page 14, line 23 to page 15, line 7; page 15, lines 9-13; page 16, lines 10-18; FIG. 4, element 21; FIG. 5, elements 43 and 46; FIG. 6*); and

an auction manager that queries the bid database to automatically determine whether the bid is successful or unsuccessful (*see, e.g., Specification, page 16, lines 10-18; page 17, line 15 to page 18, line 17; page 19, line 24 to page 20, line 14; FIG. 4, element 26; FIG. 7; FIG. 9; FIG. 11*).

This summary does not provide an exhaustive or exclusive view of the present subject matter, and Appellants refer to each of the appended claims and its legal equivalents for a complete statement of the invention.

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## **6. GROUNDS OF REJECTION TO BE REVIEWED ON APPEAL**

### *§ 112 Rejection of the Claims*

1. Claims 18-22, 24-30, 32-39, 41-48, and 50-52 were rejected under 35 U.S.C. § 112, first paragraph, for failing to comply with the written description requirement.

2. Claims 18-22, 24-25, 44-48, and 50-52 were rejected under 35 U.S.C. § 112, second paragraph, as being indefinite.

### *§ 103 Rejection of the Claims*

3. Claims 18-19, 22, 24, 26-27, 30, 33, 35-36, 39, 41-42, 44-45, 48, and 50-51 were rejected under 35 U.S.C. § 103(a) as being rendered obvious over Woolston (U.S. Patent No. 5,845,265) (hereinafter “Woolston”) in view of Fraser et al. (U.S. Patent No. 5,329,589) (hereinafter “Fraser”) and further in view of Philips et al. (U.S. Patent No. 5,047,959) (hereinafter “Philips”).

4. Claims 20, 28, 37, and 46 were rejected under 35 U.S.C. § 103(a) as being rendered obvious over Woolston in view of Fraser and further in view of Philips and further in view of Huberman (U.S. Patent No. 5,826,244) (hereinafter “Huberman”).

## 7. ARGUMENT

### ***A) The Applicable Law under 35 U.S.C. § 103(a)***

As discussed in *KSR International Co. v. Teleflex Inc. et al.* (U.S. 2007), the determination of obviousness under 35 U.S.C. § 103 is a legal conclusion based on factual evidence.<sup>1</sup> The legal conclusion, that a claim is obvious within § 103(a), depends on at least four underlying factual issues set forth in *Graham v. John Deere Co.* of Kansas City<sup>2</sup>: (1) the scope and content of the prior art; (2) differences between the prior art and the claims at issue; (3) the level of ordinary skill in the pertinent art; and (4) evaluation of any relevant secondary considerations.

Therefore, the test for obviousness under §103 must take into consideration the invention as a whole.<sup>3</sup> The Examiner must, as one of the inquiries pertinent to any obviousness inquiry under 35 U.S.C. § 103, recognize and consider not only the similarities but also the critical differences between the claimed invention and the prior art.<sup>4</sup>

*KSR v. Teleflex* provides a tripartite test to evaluate obviousness. “A rationale to support a conclusion that a claim would have been obvious is that ***all the claimed elements were known*** in the prior art and one skilled in the art could have combined the elements as claimed by known methods ***with no change in their respective functions***, and ***the combination would have yielded nothing more than predictable results*** to one of ordinary skill in the art.”<sup>5</sup>

### ***B) Discussion of the rejection of claims 18-22, 24-30, 32-39, 41-48, and 50-52 under 35 U.S.C. § 112, first paragraph, as allegedly failing to comply with the written description requirement***

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<sup>1</sup> See *Princeton Biochemicals, Inc. v. Beckman Coulter, Inc.*, 7, 1336-37 (Fed. Cir. 2005).

<sup>2</sup> 383 U.S. 1, 17 (1966).

<sup>3</sup> See MPEP 2141.02 I, citing, *Stratoflex, Inc. v. Aeroquip Corp.*, 713 F.2d 1530, 218 USPQ 871 (Fed. Cir. 1983); *Schenck v. Nortron Corp.*, 713 F.2d 782, 218 USPQ 698 (Fed. Cir. 1983).

<sup>4</sup> See *In re Bond*, 910 F.2d 831, 834, 15 USPQ2d 1566, 1568 (Fed. Cir. 1990), reh'g denied, 1990 U.S. App. LEXIS 19971 (Fed. Cir.1990).

<sup>5</sup> See *KSR International Co. v. Teleflex Inc.*, 127 S. Ct. 1727, 82 U.S.P.Q.2d 1385 (2007)). Emphasis added.

Claims 18-22, 24-30, 32-39, 41-48, and 50-52 stand rejected under 35 U.S.C. § 112, first paragraph, as allegedly failing to comply with the written description requirement. Appellants have cancelled claims 18-22 and 24-25 in an amendment filed herewith. Accordingly, the § 112, first paragraph, rejection of claims 18-22 and 24-25 is moot.

With respect to claims 26-30, 32-39, 41-48, and 50-52, the Final Office Action contends that there is no support in the specification for the claimed feature “a bid validation ... for ensuring that the bid amount is credible in view of a current high bid.” Appellants respectfully disagree with this contention, and respectfully seek the reversal of this rejection.

The “objective standard for determining compliance with the written description requirement is, ‘does the description clearly allow persons of ordinary skill in the art to recognize that he or she invented what is claimed.’”<sup>6</sup> Further, the “subject matter of the claim need not be described literally (i.e., using the same terms or *in haec verba*) in order for the disclosure to satisfy the description requirement.”<sup>7</sup>

The specification provides support for the above-recited claimed feature at least on page 12, lines 8-12, page 14, line 1 through page 15, line 7, page 16, lines 10-18, and FIGS. 2 and 3 of the application as filed. These passages describe an example embodiment in which a potential customer is presented with a merchandise catalog page that lists one or more items in an auction lot and a current bid price for the one or more items in the lot. The merchandise catalog page also includes several action buttons, one of which is a bid button that, when selected, causes a bid form to be presented to the user to bid upon the displayed item(s) in the merchandise catalog page. The submitted bid is processed by a bid validator, which, among other things, ensures that “data values entered look credible” and that “an appropriate bid amount has been entered.” Further, the specification teaches that a new bid will, in general, be a bid for a higher amount than was last bid by another party. Specification, page 12, lines 8-12. Appellants assert that at least the identified portions of the application, standing alone, provides sufficient written description support for the above-recited claim limitation. Additionally, Applicants assert that one skilled in the art would readily understand and appreciate that a bid validator examining the propriety of a bid form generated from and submitted in response to a merchandise catalog page

<sup>6</sup> MPEP § 2163.02, citing *In re Gosteli*, 872 F.2d 1008, 1012, 10 U.S.P.Q.2d 1614, 1618 (Fed. Cir. 1989).

<sup>7</sup> MPEP § 2163.02.

displaying an auction lot would ensure the credibility of the bid amount with reference to the current high bid for the auction lot from which the bid form was generated. Otherwise, the bid validator would not have any context with which to determine whether a bid amount is “credible” and “appropriate.” Consequently, Appellants respectfully submit that there is support in the specification for the claimed feature of “a bid validation ... for ensuring that the bid amount is credible in view of a current high bid,” respectfully submit that the § 112, first paragraph rejection of claims 26-30, 32-39, 41-48, and 50-52 is in error, and respectfully seek the reversal of the rejection of claims 26-30, 32-39, 41-48, and 50-52.

***C) Discussion of the rejection of 18-22, 24-25, 44-48, and 50-52 under 35 U.S.C. § 112, second paragraph, as allegedly being indefinite***

Claims 18-22, 24-25, 44-48, and 50-52 stand rejected under 35 U.S.C. § 112, second paragraph as allegedly being indefinite. Appellants have cancelled claims 18-22 and 24-25 in an amendment filed herewith. Accordingly, the § 112, second paragraph rejection of claims 18-22 and 24-25 is moot.

With respect to claims 44-48 and 50-52, the Final Office Action contends that the scope of the system claim is not clear. Specifically, the Final Office Action contends that it is not clear whether the recited “auction manager” is “a software, hardware or a combination of both.” Appellants respectfully disagree with this contention, and respectfully seek the reversal of this rejection.

As the MPEP states, “[i]n reviewing a claim for compliance with 35 U.S.C. § 112, second paragraph, the examiner must consider the claim as a whole to determine whether the claim apprises one of ordinary skill in the art of its scope and, therefore, serves the notice function required by 35 U.S.C. § 112, second paragraph, by providing clear warning to others as to what constitutes infringement of the patent.”<sup>8</sup> In particular, the Federal Circuit in *Metabolite* stated, “[t]he requirement to ‘distinctly’ claim means that the claim must have a meaning discernible to one of ordinary skill in the art when construed according to correct principles. Only when a

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<sup>8</sup> MPEP § 2173.02, citing *Solomon v. Kimberly-Clark Corp.*, 216 F.3d 1372, 1379, 55 U.S.P.Q.2d 1279, 1283 (Fed. Cir. 2000); *In re Larsen*, No. 01-1092 (Fed. Cir. May 9, 2001) (unpublished); *Metabolite Labs, Inc. v. Lab. Corp. of Am. Holdings*, 370 F.3d 1354, 1366, 71 U.S.P.Q.2d 1081, 1089 (Fed. Cir. 2004).

claim remains insolubly ambiguous without a discernible meaning after all reasonable attempts at construction must a court declare it indefinite”<sup>9</sup> Moreover, the MPEP states that a rejection of a claim under 35 U.S.C. § 112, second paragraph, is appropriate only “if the language of the claim is such that a person of ordinary skill in the art could not interpret the metes and bounds of the claim so as to understand how to avoid infringement.”<sup>10</sup>

Appellants submit the recitation of the “auction manager” in claim 44 is definite to one of ordinary skill in the art when considering the claim as a whole and in light of the specification. In particular, claim 44 is directed to a system for conducting an auction through a computer network. The system of claim 44 contains multiple components, and the specification describes these components, including the auction manager, as capable of sending direct messages between themselves and calling each other by means of program subroutines. Specification, page 19, lines 4-13. Moreover, the specification describes the components as being implemented in an example embodiment as a computer program running on a central server host component attached to a wide area network. Specification, page 14, lines 1-6. Thus, Appellants submit the recited claim feature of the “auction manager” is definite to one of ordinary skill in the art when considering the claim as a whole and in light of the specification. Appellants respectfully submit that the § 112, second paragraph, rejection of claims 44-48 and 50-52 is in error and respectfully seek the reversal of the rejection of claims 44-48 and 50-52.

***D) Discussion of the rejection of independent claims 26, 35, and 44 under 35 U.S.C. § 103(a) as allegedly being rendered obvious over Woolston in view of Fraser and further in view of Philips***

Claims 18-19, 22, 24, 26-27, 30, 33, 35-36, 39, 41-42, 44-45, 48, and 50-51 stand rejected under 35 U.S.C. § 103(a) as being allegedly rendered obvious over U.S. Patent No. 5,845,265 to Woolston (hereinafter “Woolston”) in view of Fraser et al. (U.S. Patent No. 5,329,589) (hereinafter “Fraser”) and further in view of Philips et al. (U.S. Patent No. 5,047,959) (hereinafter “Philips”). With regard to claims 18-19, 22, and 24, Appellants have cancelled these

<sup>9</sup> *Metabolite Labs., Inc. v. Lab. Corp. of Am. Holdings*, 370 F.3d 1354, 1366, 71 U.S.P.Q.2d 1081, 1089 (Fed. Cir. 2004).

<sup>10</sup> MPEP 2173.02, citing *Morton Int'l, Inc. v. Cardinal Chem. Co.*, 5 F.3d 1464, 1470, 28 U.S.P.Q.2d 1190, 1195 (Fed. Cir. 1993).

claims in an amendment filed herewith. Accordingly, the § 103(a) rejection of claims 18-19, 22, and 24 is moot.

Appellants submit that a *prima facie* case of obviousness has not been properly established, and the Appellants therefore respectfully traverse rejection of these claims.

Independent claims 26, 35, and 44 each recite in part:

***add a second lot to the plurality of lots during an auction of the first lot of the plurality of lots*** by posting on the computerized merchandise catalog information that is descriptive of items in the second lot, wherein ***the information pertaining to the second lot is added to the merchandise catalog as at least a portion of the first lot of the plurality of lots is made available for auction;***

The Final Office Action alleges that Woolston alone discloses this claim limitation. In support of the rejection of the above-recited limitation of claims 26, 35, and 44, the Examiner cites to column 7, lines 16-30 of Woolston. Woolston, both generally and specifically in this cited passage, does not disclose or suggest the above-recited limitation of independent claims 26, 35, and 44. Appellants address the deficiencies of the cited portion of Woolston below.

Woolston generally concerns a method and apparatus for creating a computerized market for used and collectible goods by use of a plurality of low cost posting terminals and a market maker computer. See Woolston, Abstract.

Column 7, lines 16-30 of Woolston generally describes an "Agent Mode" which allows a consignment node participant to search a plurality of consignment nodes and purchase records for a used good. Woolston, col. 7, lines 1-3. The Agent Mode first reconciles or coordinates the database on each consignment node of the location and/or address of other consignment nodes. Woolston, col. 7, lines 16-19. Once reconciled, the Agent searches the consignment node database for a requested good and reports back on whether the search was successful, and if so, the number of results identified during the search. Woolston, col. 7, lines 24-30. The cited portion of Woolston does not disclose or suggest the posting of items for sale generally, and specifically, the addition of a second lot of item(s) to a merchandise catalog during an auction of a first lot of item(s). In fact, the cited portion of Woolston is not related in the least to the posting or listings of goods for auction. Rather, the Agent Mode described in the cited portion of



Woolston concerns the submission of a search request by a user seeking to purchase a particular good, and the use of an Agent to search for and identify items meeting the user's search request.

Woolston, in general, also fails to disclose or suggest that a second auction lot and information pertaining thereto is added to a merchandise catalog as a first lot or portion thereof is made available for auction. Woolston describes the auction process in column 5, line 47 through column 6, line 67. In this description of the auction process, Woolston only discusses the auctioning of a single good. Woolston does not disclose or suggest that it is possible to add additional lots for auction during the auction of a first lot. Thus, Woolston fails to disclose or suggest the above-recited limitation of independent claims 26, 35, and 44.

Fraser is not relied upon by the Examiner for disclosing or suggesting the above-recited limitation of claims 26, 35, and 44, nor does it disclose or suggest this limitation. Fraser concerns a method and apparatus for employing a communications system to mediate transactions between actively connected communicating entities. Fraser, Abstract. Fraser is thus related to mediating a transaction between entities, rather than posting a second auction lot to a merchandise catalog as a first lot is made available for auction. Thus, Fraser also fails to disclose or suggest at least this claim limitation of claims 26, 35, and 44.

Philips also is not relied upon by the Examiner for disclosing or suggesting the above-recited limitation of claims 26, 35, and 44, nor does it disclose or suggest this limitation. Philips concerns a data display build from data in a database according to a hierarchy of display knowledge. Philips, Abstract. Philips is thus completely unrelated to conducting an auction and posting a second auction lot to a merchandise catalog as a first lot is made available for auction. Thus, Philips also fails to disclose or suggest at least this claim limitation of claims 26, 35, and 44.

Because no single reference and no combination of the references cited by the Examiner teaches or suggests all of the elements of independent claims 26, 35, and 44, independent claims 26, 35, and 44, and claims 27, 30, 33, 36, 39, 41-42, 45, 48, and 50-51, which depend from independent claims 26, 35, and 44, respectively, are patentable and should be allowed. Therefore, Appellants respectfully request the Board to reverse the findings of the Examiner with regard to the rejection of claims 26-27, 30, 33, 35-36, 39, 41-42, 44-45, 48, and 50-51 under 35

U.S.C. § 103(a). Furthermore, each of the dependent claims may be patentable for its own limitations.

***C) Discussion of the rejection of claims 28, 37, and 46 under 35 U.S.C. § 103(a) as allegedly being rendered obvious over Woolston in view of Fraser and further in view of Philips and further in view of Huberman***

Claims 20, 28, 37, and 46 stand rejected under 35 U.S.C. § 103(a) as being allegedly rendered obvious over Woolston in view of Fraser and further in view of Philips and further in view of Huberman (U.S. Patent No. 5,826,244) (hereinafter “Huberman”). Appellants have cancelled claim 20 in an amendment filed herewith. Accordingly, Appellants submit the § 103(a) rejection of claim 20 is moot.

Claims 28, 37, and 46 depend, directly or indirectly, from independent claims 26, 35, and 44, respectively. Therefore, claims 28, 37, and 46 shall be construed to incorporate by reference all the limitations of claims 26, 35, and 44, from which they depend.<sup>11</sup> For the reasons discussed above, Appellants have shown that claims 26, 35, and 44 are patentable over Woolston in view of Fraser and further in view of Philips. Huberman does not remedy the deficiencies of Woolston in view of Fraser and further in view of Philips. Specifically, Huberman fails to disclose or suggest at least the posting of a second auction lot to a merchandise catalog as a first lot is made available for auction. Therefore, since claims 28, 37, and 46 depend from independent claims 26, 35, and 44, they too are allowable for at least the same reasons. Further, each of these dependent claims may be allowable for its own limitations.

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<sup>11</sup> See 35 U.S.C. § 112, fourth paragraph.

**SUMMARY**

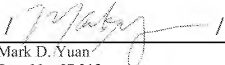
For at least the reasons presented above, Appellants maintain that the rejections made under 35 U.S.C. § 112, first and second paragraphs, and 35 U.S.C. § 103(a) are improper. Appellants therefore respectfully submit that the claims are in condition for allowance, and that the cited art neither anticipates nor renders the claims obvious. Appellants therefore request the Board to reverse the findings of the Examiner with regard to the rejections of claims 26-30, 32-39, 41-48, and 50-52 under 35 U.S.C. § 112 and 35 U.S.C. § 103(a). Appellants further respectfully request allowance of the pending claims.

Respectfully submitted,

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Date December 1, 2010

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**CERTIFICATE UNDER 37 CFR 1.8:** The undersigned hereby certifies that this correspondence is being filed using the USPTO's electronic filing system EFS-Web, and is addressed to: Mail Stop Appeal Brief - Patents, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450 on this 1st day of December, ~~2010~~ 2010.

Nicole Jack

Name

  
Signature

## **8. CLAIMS APPENDIX**

26. A method for conducting an auction business through a computer network, the method comprising:

executing instructions with one or more processors, execution of the instructions causing the one or more processors to:

post by at least one seller on a computerized merchandise catalog information that is descriptive of a first lot of a plurality of lots available for auction, each lot of the plurality of lots including at least one item;

add a second lot to the plurality of lots during an auction of the first lot of the plurality of lots by posting on the computerized merchandise catalog information that is descriptive of items in the second lot, wherein the information pertaining to the second lot is added to the merchandise catalog as at least a portion of the first lot of the plurality of lots is made available for auction;

receive a bid from a bidder for at least the portion of the first lot of the plurality of lots;

validate a characteristic of the bid during and prior to a close of the auction of the first lot of the plurality of lots, the characteristic of the bid being a form of bid information, and the validating of the characteristic includes ensuring that the bid information accords with a specific form of the bid information that is defined by the bid format;

validate the bid to ensure that the bid amount is credible in view of a current high bid;

whether the bid for the at least the portion of the first lot is successful or determine unsuccessful; and

store an indication of whether the bid is successful or unsuccessful.

27. The method in claim 26, further comprising associating each lot of the plurality of lots with an auction format selected from a plurality of auction formats.

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28. The method of claim 27, wherein an auction format of the plurality of auction formats comprises one selected from the group comprising: Dutch auction, standard auction, progressive auction, and buy or bid auction.
29. The method of claim 26, wherein the receiving further comprises the receiving the bid via a bid form.
30. The method in claim 26, further comprising the receiving an electronic message pertaining to at least the portion of the first lot and posting the electronic message in association with the descriptive information for the first lot.
32. The method of claim 26, wherein the receiving further comprises receiving bids on at least two lots that are simultaneously open for auction, the at least two lots having different associated auction formats.
33. The method in claim 32, wherein the determining further comprises automatically categorizing the received bids as successful or unsuccessful in accordance with an associated auction format associated with each lot.
34. The method in claim 26, further comprising the automatically generating for at least the portion of the first lot a subsequent bid based upon an initial bid provided by a bidder.
35. A computer-readable medium containing instructions, which, when executed by a computer, causes a computer to perform an auction method comprising:
- posting by at least one seller on a computerized merchandise catalog information that is descriptive of at least one of a plurality of lots available for auction, each lot having at least one item:
- either adding items to or deleting items from a lot of the plurality of lots available for auction and posted to the merchandise catalog during an auction of another lot of the plurality of lots, wherein information relating to an item in the lot is added to or deleted from the

merchandise catalog as items in each lot are to be either made available for auction or no longer available for auction;

receiving a bid for a portion of the lot from the plurality of lots from a bidder;

validating a characteristic of the bid during and prior to a close of the auction, wherein the characteristic of the bid is a form of bid information, and the validating of the characteristic includes ensuring that the bid information accords with a specific form of the bid information that is defined by the bid format;

validating the bid to ensure that the bid amount is credible in view of a current high bid;  
and

determining whether the received bid is successful or unsuccessful.

36. The computer-readable medium in claim 35, further comprising instructions for associating each lot of the plurality of lots with an auction format selected from a plurality of auction formats so that at least two lots have different associated auction formats.

37. The computer-readable medium in claim 36, wherein an auction format of the plurality of auction formats comprises one selected from the group comprising: Dutch auction, standard auction, progressive auction, and buy or bid auction.

38. The computer-readable medium in claim 35, further comprising instructions for receiving the bid for the lot from a bid form.

39. The computer-readable medium in claim 35, further comprising instructions for receiving a message pertaining to at least a portion of the lot and posting the message in association with the descriptive information for the lot.

41. The computer-readable medium in claim 35, wherein the instructions for receiving further comprises instructions for receiving bids on at least two lots that are simultaneously open for auction, the at least two lots having different associated auction formats.

42. The computer-readable medium in claim 41, wherein the instructions for determining further comprises instructions for automatically categorizing the received bids as successful or unsuccessful in accordance with the associated format for each lot.

43. The computer-readable medium in claim 35, further comprising automatically generating for the portion of the lot a subsequent bid based upon an initial bid provided by a bidder.

44. A system for conducting an auction through a computer network, the system comprising:  
a merchandise posting mechanism configured to post merchandise information from at least one seller, the information being accessible through the computer network and describing at least one of a plurality of lots available for auction, each lot including at least one item, the posting means available to add a lot of the plurality of lots for auction during an auction of another lot, the merchandise posting mechanism implemented with one or more processors configured to execute instructions;

a bid receiver to receive a bid for at least a portion of the lot of the plurality of lots, the bid receiver implemented with one or more processors configured to execute instructions;

a bid validator, during and prior to a close of the auction, to examine and validate a characteristic of the received bid and to store the bid in a bid database, and to ensure that a bid amount specified in the bid is credible in view of a current high bid, wherein the characteristic is a form of bid information, and the validating of the characteristic includes ensuring that the bid information accords with a specific form of the bid information that is defined by the bid format, the bid validator implemented with one or more processors configured to execute instructions;  
and

an auction manager that queries the bid database to automatically determine whether the bid is successful or unsuccessful.

45. The computer system in claim 44, further comprising an auction selector to associate each lot of the plurality of lots with an auction format selected from a plurality of auction formats, at least two lots having different associated auction formats.

46. The computer system in claim 45, wherein an auction format of the plurality of auction formats comprises one from the group comprising: Dutch auction, standard auction, progressive auction, and buy or bid auction.

47. The computer system in claim 44, wherein the bid receiver receives the bid through a bid form.

48. The computer system in claim 44, wherein the merchandise posting mechanism is configured to receive a message posted through the computer network pertaining to at least the portion of the lot and to post the message in association with the descriptive information for the lot.

50. The computer system in claim 44, wherein the bid receiver receives bids on at least two lots that are simultaneously open for auction, the at least to lots having different associated auction formats.

51. The computer system in claim 50, wherein the auction manager automatically categorizes the received bids as successful or unsuccessful in accordance with the selected auction format for each lot.

52. The computer system in claim 44, further comprising proxy bidding means for automatically generating for the portion of the lot a subsequent bid based upon an initial bid provided by a bidder.



## **9. EVIDENCE APPENDIX**

None.

## **10. RELATED PROCEEDINGS APPENDIX**

None.